

Revise L. 17

L. 17 Additional Business Proposal Instructions (revised 6 15 11)

Background Information

The Department anticipates awarding a contract through a full and open competition, incrementally funded and subject to the availability of funds.

The appropriated amounts for the REL program for fiscal years 2012-2017 are unknown, in preparing the proposal the offeror shall assume an annual amount equal to the average FY 2006-2010 appropriation of \$69 million, which equates to \$345 million over 5 years. That amount will be allocated across each of the 10 RELs based on statutory guidance (see Section 174(a) of ESRA) with the results indicated below:

Regional Educational Percentage of Annual Average FY 2006-2010

Laboratory and Percentage

Appalachia -- 8.2%
Central -- 8.5%
Mid-Atlantic -- 8.9%
Midwest -- 13.1%
Northeast and Islands -- 10.4%
Northwest -- 8.4%
Pacific -- 7.0%
Southeast -- 11.2%
Southwest -- 11.7%
West -- 12.0%
Task 8 -- 0.6%

If appropriations are less than \$69 million in any year, each REL's contract amount and scope of work will be reduced proportionally.

The Department also anticipates that this will be a Firm Fixed Price (FFP) contract. However, instead of setting a price for each deliverable specified in the technical proposal for the full five years of the contract, the identification, schedule, and pricing of deliverables will be determined and fixed each year based on the Year 1 work plan agreed to at the time of contract award and, for succeeding years the Updated Annual Plan (refer to PWS 7.2) proposed by the successful offeror, reviewed and commented upon by the COR, and approved by the CS.

Organization of Business Proposal

Cover Sheet

ED requests that contractors provide the following information on the cover sheet of the business proposal:

- 1) Solicitation Number ED-IES-11-R-0036
- 2) The name of offeror and the sub-contractors
- 3) The percentage of the total proposed budget that will be given to each subcontractor
- 4) The task/subtask that will be performed by each subcontractor

Proposed Prices

The proposal shall list the names and telephone numbers of persons authorized to conduct negotiations, and a statement to the effect that your offer is firm for a period of at least 180 calendar days from the date of receipt of offers specified by the Government. Education anticipates making awards on or about January 3, 2012.

The offeror shall also provide summary pages showing all contract prices for each of the contract periods Years 1-5. The offeror shall submit supporting information documenting their price build up by year. (Reference attached templates.) Even though the Department intends to award contracts on a firm fixed price basis the offerors shall submit adequate data to allow complete analysis and evaluation of proposed prices. If necessary, ED will request other than cost and pricing data to determine that prices are considered fair and reasonable.

If requesting Advance Payment in accordance with FAR clause 52.232-12 Advance Payments, Offerors are required to submit an application in order to use Advance Payment as a method of contract financing.

Offerors should review FAR clause 52.217-2 Cancellation Under Multi-year Contracts and address potential need to include cancellation costs in their proposal. ED believes that the cancellation ceiling is \$0 because the contract may not require nonrecurring costs.

Similar business information shall also be submitted for subcontractors. Food costs are not allowable; offerors shall not include food in their proposals. Government per diem rules apply for travel costs. REL funding cannot be used for invitational travel; therefore the contractor shall not receive federal reimbursement for travel or food payments to recipients of REL services. Participants in bridge events (refer to PWS Task 5) will need to pay for their own participation.

Members of the alliances are recipients of REL services and cannot be paid to participate. If an alliance participant has particular expertise required to complete an IES-approved work product, they can be compensated as a subcontractor or consultant but such arrangements must be approved by the CO and COR.

Offerors shall submit **four** types of proposed business spreadsheets, including:

1. **Spreadsheet #1** -- *The price for each task and a total for the 60 months of the contract.* As guidance on ED's expectations about the level of effort devoted to each task, offerors shall assume that the full five year contract resources are allocated as follows:

Task Number and Approximate Percentage of Contract Resources:

Task 1 -- 5
Task 2 -- 10
Task 3 -- 20
Task 4 -- 35
Task 5 -- 15
Task 6 -- 5
Task 7 -- 10

These are approximated percentages, and offerors may deviate from them to some extent to meet the needs of their region. In addition, ED's estimated task allocations apply to the full five-year contract period; ED understands that different tasks may be more or less active (and thus represent a higher or lower fraction of resources) in any given year.

Offerors shall ensure that, in preparing their business proposals, they plan to allocate not less than 25 percent of their budget for Tasks 1-5 to rural areas, including schools funded by the Bureau of Indian Affairs, as specified by statute.

Offerors may use Template #1 to provide this summary information.

2. **Spreadsheet #2** -- Total proposed price for each task evenly distributed across each of the five years of the contract, representing the expected incremental amount the contractor will receive from ED each year.

Offerors may use Template #2 to provide a price build up.

3. Spreadsheet #3 -- The realistic proposed price by task and overall for Year 1. These proposed prices shall be consistent with the detailed Year 1 work plan that the contractor shall provide as part of the technical proposal.

Spreadsheet #3 is a variation of spreadsheet #2 and should encompass only realistic prices for Year 1 task work.

Along with the Year 1 budget, the offeror shall include a list of each Year 1 deliverable and a proposed payment amount (as required in number 3 above) for that fixed price deliverable, such that the total payment for all deliverables equals the proposed Year 1 budget. Offerors shall propose a Pricing and Payment Schedule based on the price of each Year 1 deliverable but may propose apportioning the price of some deliverables over time in order to receive payment on a more regular basis. Such apportionment must be accompanied by a valid interim deliverable that demonstrates successful progress towards the completion of the deliverable. ED will pay the corresponding invoice only after ED has accepted each fixed price deliverable, including the interim deliverables. As stated in the PWS, offerors may not reimburse travel or meal payments to recipients of REL services.

4. **Spreadsheet #4 --** In addition, the Offeror shall include a separate price proposal to support an option to extend services by six months for the period of performance from January 3, 2017 to June 2, 2017. (Reference 52.217-8.)

Note: Please refer to Amendment 0001 which revised instructions to offerors to renumber the spreadsheet information and number of required copies.

Sample templates are attached.

Other Information and Documentation (appendices)

1. ***Conflict of interest mitigation plan.*** The thoroughness, completeness and effectiveness of the plan shall be evaluated as part of the offeror's overall proposal. The plan will be incorporated into the contract awarded to the successful offeror.
2. ***Small business subcontracting plan.*** Large offerors must submit a small business-subcontracting plan, in accordance with 48 CFR, 19.702 Statutory Requirements.

ED's current subcontracting small business goals are as follows:

Small Business (SB): 37.3%;
Small Disadvantaged Business (SDB): 5%;
Women Owned Small Business (WOSB): 5%;
Historically Underutilized Business Zone (HUBZone): 3%;
Service-Disabled Veteran-Owned Small Business (SDVOSB): 3%.

The categories listed above imply no order of preference. The goals are a percentage of total subcontract dollars.

ED values an approach where technical, analytic, or significant service is performed by a small business. See Evaluation Criteria for further information. In its proposed small business subcontracting plan, the offeror shall state the type of work to be performed by a small business and the percentage of work proposed

to be performed by a small business. The offeror shall also state the name of the small business and type of small business concern. Offerors shall submit a summary page with all subcontractors listed by total subcontracting dollars and percentages of subcontracting dollars. Please make sure that the primary contractor is proposed to perform more than 50% of the work if the prime contractor is a small business.

Plan for use of subcontractors and consultants. Proposals shall include plans for all subcontractors or consultants proposed to conduct part of the work, provided that evidence is presented that any proposed subcontractor or consultant is fully capable of performing the assigned tasks and will be working under the effective control of the offeror on the project. The small business plan should describe the task work to enable the Government to judge whether the work is substantive. Letter(s) by proposed subcontractors/consultants indicating willingness to serve, if the offeror is selected, shall be included in an appendix.

Security Requirements of the RFP and PWS

Offerors should include a statement that they acknowledge, have read, understand and shall comply with the requirements.

Responsibility of Prospective Contractor

The business proposal should contain necessary information and explanations that are requested in the instructions because it will be reviewed separately.

Business Proposal for Optional Task 8

The Department anticipates that this will be a Fixed Price task. However, instead of setting a price for each deliverable specified in the technical proposal for the full five years of the task, the identification, schedule, and pricing of deliverables will be determined and fixed each year based on the Year 1 work plan agreed to at the time of contract award and, for succeeding years the Updated Annual Plan (see Task 7.2) proposed by the successful offeror, reviewed and commented upon by the COR, and approved by the CS.

Organization of Business Proposal

Cover Sheet

ED requests the contractors to provide the following information in the cover sheet of your business proposal:

- 1) The name of the offeror and the subcontractors
- 2) The percentage of the total proposed budget that will be given to each subcontractor

3) The task/subtask that will be performed by each subcontractor

Proposed Price

The proposal shall list the names and telephone numbers of persons authorized to conduct negotiations, and a statement to the effect that your offer is firm for a period of at least 180 calendar days from the date of receipt of offers specified by the Government. Education anticipates making awards on or about January 3, 2012.

The offeror shall also provide summary pages showing all contract prices for each of the contract periods Years 1-5. The offeror shall submit supporting information documenting their price build up by year. Even though the Department intends to award contracts on a firm fixed price basis the offerors shall submit adequate data to allow complete analysis and evaluation of proposed prices. If necessary, ED will request other than cost and pricing data to determine that prices are considered fair and reasonable.

If requesting Advance Payment in accordance with FAR clause 52.232-12 Advance Payments, Offerors are required to submit an application in order to use Advance Payment as a method of contract financing.

Offerors should review FAR clause 52.217-2 Cancellation Under Multi-year Contracts and address potential need to include cancellation costs in their proposal. ED believes that the cancellation ceiling is \$0 because the contract may not require nonrecurring costs.

Similar business information shall also be submitted for subcontractors.

Offerors shall submit three types of proposed business spreadsheets, including:

1. ***Total proposed price for Optional Task 8 evenly distributed across each of the five years of the contract***, representing the expected incremental amount the contractor will receive from ED each year.

Offerors may use Template #1 to provide this summary information.

2. ***The realistic proposed price by task and overall for Year 1***. These proposed prices shall be consistent with the detailed Year 1 work plan the contractor must provide as part of the technical proposal.

Offerors may use Template #2 to provide a price build up.

3. In addition, the Offeror shall include a separate price proposal to support an option to extend services by six months for the period of performance from January 3, 2017 to June 2, 2017. (Reference 52.217-8.)

Along with the Year 1 budget, the offeror shall include a list of each Year 1 deliverable and a proposed payment amount (as required in number 2 above) for the fixed price deliverable, such that the total payment for all deliverables equals the proposed Year 1 budget (reference #2 above). Offerors shall propose a Pricing and Payment Schedule based on the price of each Year 1 deliverable, but may propose apportioning the price of some deliverables over time in order to receive payment on a more regular basis. Such apportionment must be accompanied by a valid interim deliverable that demonstrates successful progress towards the completion of the deliverable. ED will pay the corresponding invoice only after ED has accepted each fixed price deliverable, including the interim deliverables. As stated in the PWS, offerors may not reimburse travel or meal payments to recipients of REL services.

Conflict of interest mitigation plan. The thoroughness, completeness and effectiveness of the plan shall be evaluated as part of the offeror's overall proposal. The plan will be incorporated into the contract or task order awarded to the successful offeror.

Small business subcontracting plan. Large offerors must submit a small business-subcontracting plan, in accordance with 48 CFR, 19.702 Statutory Requirements.

ED's current subcontracting small business goals are as follows:

Small Business (SB): 37.3%;
Small Disadvantaged Business (SDB): 5%;
Women Owned Small Business (WOSB): 5%;
Historically Underutilized Business Zone (HUBZone): 3%;
Service-Disabled Veteran-Owned Small Business (SDVOSB): 3%.

The categories listed above imply no order of preference. The goals are a percentage of total subcontract dollars.

ED values an approach where technical, analytic, or significant service is performed by a small business. See Evaluation Criteria for further information. In its proposed small business subcontracting plan, the offeror shall state the type of work to be performed by a small business and the percentage of work proposed to be performed by a small business. The offeror shall also state the name of the small business and type of small business concern. Offerors shall submit a summary page with all subcontractors listed by total subcontracting dollars and percentages of subcontracting dollars. Please make sure that the primary contractor is proposed to perform more than 50% of the work if the prime contractor is a small business.

Plan for use of subcontractors and consultants. Proposals shall include plans for subcontractors or consultants to conduct part of the work, provided that evidence is presented that any proposed subcontractor or consultant is fully capable of performing the assigned tasks and will be working under the effective control of the offeror on the project. Letter(s) by proposed subcontractors/consultants indicating willingness to serve, if the offeror is selected, shall be included in an appendix

Offerors shall submit a summary page with all subcontractors listed by total subcontracting dollars and percentages of subcontracting dollars.

Security Requirements of the RFP and PWS

Offerors should include a statement that they acknowledge, have read, understand and shall comply with the requirements.

Responsibility of Prospective Contractor

The business proposal should contain necessary information and explanations that are requested in the instructions because it will be reviewed separately.

Hotline Posters

Contractors should display hotline posters in accordance with FAR Clause 52.203-14.

Hotline posters can be found at:

<http://www2.ed.gov/about/offices/list/oig/hotlineposters.html>.

2. Information regarding RFP Submission

Offerors should review the RFP provisions in Section L that specify the number of copies for each part of their proposal.

Standard Form 33, Block 9 is revised to state: 1 original and 5 copies.